

Internal Revenue Service

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Department of the Treasury
Washington, DC 20224

[Third Party Communication:
Date of Communication: Month DD, YYYY]

Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:INTL:B02
PLR-131818-14

Date:
January 15, 2015

TY:

Legend

Taxpayer =

Year 1 =

Year 2 =

Year 3 =

Year 4 =

Country A =

Country B =

Dear :

This is in response to a letter dated August 6, 2014, submitted on your behalf by your authorized representative, requesting permission to reelect the provisions of section 911 of the Internal Revenue Code (Code) for Year 4 and subsequent tax years. Additional information was submitted on September 16, 2014.

The rulings contained in this letter are based upon information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

In Year 1, Taxpayer lived and worked in Country A and, pursuant to section 911 of the Code, made an election to exclude his foreign earned income. In Year 2, Taxpayer's employer relocated him to Country B. Due to the high rate of tax in Country B in comparison to the U.S. income tax rate, Taxpayer revoked his section 911 foreign earned income election on his Year 3 income tax return by taking a credit for the

amount of the foreign taxes he paid to Country B. Sometime in Year 3, Taxpayer returned to Country A and gained employment with a different employer. Country B's income tax rate for individuals is significantly higher than Country A's income tax rate for individuals. Taxpayer seeks permission to reelect the section 911 foreign earned income exclusion for Year 4. Year 4 is within 5 years of Year 2.

Treas. Reg. §1.911-7(b) provides that if an individual revoked an election to exclude foreign earned income under section 911(a) and within five taxable years the individual wishes to reelect the exclusion, then the individual may apply for consent to the reelection by requesting a ruling from the Associate Chief Counsel (International). In determining whether to consent to a reelection, the Associate Chief Counsel (International) or his delegate may consider any facts and circumstances relevant to the determination. Relevant facts and circumstances may include a move from one foreign country to another foreign country with differing tax rates, and a change of employer.

Accordingly, based solely on the information and representations set forth above, it is held that Taxpayer may reelect the section 911 foreign earned income exclusion for Year 4 and subsequent tax years. No opinion is expressed as to whether Taxpayer satisfied the requirements for the exclusion provided under section 911(a) of the Code.

A copy of this ruling letter should be attached to Taxpayer's federal income tax return for the relevant tax year.

This ruling is directed only to the taxpayer who requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representative.

Sincerely,

Jeffery G. Mitchell
Branch Chief, Branch 2
(International)